



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



STEVEN E. CHESTER
DIRECTOR

February 15, 2007

The Honorable Valde Garcia, Chair
Senate Appropriations Subcommittee on
Environmental Quality
State Capitol
P.O. Box 30036
Lansing, Michigan 48909-7536

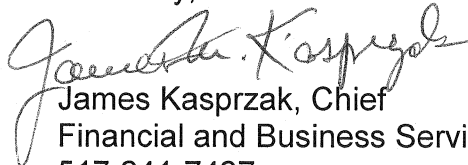
The Honorable Doug Bennett, Chair
House Appropriations Subcommittee on
Environmental Quality
State Capitol
P.O. Box 30014
Lansing, Michigan 48909-7536

Dear Senator Garcia and Representative Bennett:

As required in 2006 PA 343, Section 208, attached are the Department of Environmental Quality's (DEQ's) annual reports on restricted funds: 1) State Restricted Funds – Projection for Fiscal Year (FY) ending September 30, 2006, and 2) State Restricted Funds, Fund Balance Report for FY ending September 30, 2005.

If you have any questions on these reports, please feel free to contact me.

Sincerely,



James Kasprzak, Chief
Financial and Business Services Division
517-241-7427.

Attachments

cc/att: Ms. Teresa Bingman, Governor's Office
Ms. Jessica Runnels, Senate Fiscal Agency
Dr. Kirk Lindquist, House Fiscal Agency
Mr. Robert Emerson, State Budget Director, Office of the State Budget
Ms. Jennifer Harrison, Department of Management and Budget
Ms. Carol Linteau, Legislative Liaison, DEQ

**DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE RESTRICTED FUNDS - PROJECTION
FISCAL YEAR ENDING 9/30/07**

Fund #	Fund Description	FY07			FY07
		Beginning Unreserved Balance	Projected Revenues	Projected Expenditures	Proj Ending Unreserved Fund Balance
0589	Above Ground Storage Tank Fees	476,800	525,000	756,100	245,700
0504	Air Emission Fees	3,176,683	11,004,722	13,614,025	567,380
0658	Aquifer Protection Revolving Fund	320,661	0	158,440	162,221
0615	Campground Fees	23,190	214,999	237,198	991
0661	Cleanup & Redevelopment Fund	(21,786,332)	16,514,103	18,849,343	(18,800,381)
0660	Cleanup & Redevelopment Trust Fund	1,678,629	1,328,856	0	3,007,486
0662	Community Pollution Prevention Fund	2,945,544	1,328,856	250,000	4,024,400
0619	Environmental Education Fund	39,256	151,000	170,468	19,788
0620	Environmental Pollution Prevention Fund	1,583,215	1,300,000	2,035,000	848,215
0562	Environmental Protection Fund	18,862,535	1,335,277	13,125,207	13,269,635
0664	Environmental Response Fund	9,008,732	2,812,379	8,812,857	3,428,853
0641	Fees and Collections	0	355,699	355,699	0
0522	Great Lakes Protection Fund	792,058	424,000	499,664	716,394
0655	Groundwater Discharge Permit Fees	298,988	1,303,449	1,602,437	0
0524	Haz Materials Transport Permit Fund	1,171,754	250,000	244,500	1,177,254
0526	Land and Water Permit Fees	484,440	2,710,060	2,272,917	921,583
0529	Landfill Maintenance Trust Fund	144,725	23,165	54,000	113,890
0611	Landfill Maintenance Trust Fund - Corpus	500,000	0	0	500,000
0650	Medical Waste Emergency Response	328,282	337,000	250,900	414,382
0552	Metallic Mineral Surveillance Fund	3,726	85,000	87,933	793
0503	Michigan Clean Air Fund	122,027	50,000	0	172,027
0553	Mineral Well Regulatory Fee	7,575	140,000	143,243	4,332
0667	Natural Resources Damages	1,930,365	400,000	0	2,330,365
0544	Nonferrous Metallic Mineral Surveillance	5,000	0	5,000	0
0656	NPDES Fees	905,999	2,882,099	3,788,098	0
0546	Oil & Gas Regulatory Fund	5,127,438	7,770,063	9,363,515	3,533,986
0566	Orphan Well Fund	1,274,225	1,700,000	2,031,420	942,805
0401	Private Funds	224,821	190,000	237,800	177,021
0614	Public Swimming Pool Fees	155,796	559,999	541,543	174,252
0643	Public Utility Assessments	0	250,000	250,000	0
0651	Public Water Supply Fund	229,657	4,000,000	4,005,932	223,725
0545	Publication Revenue	169,042	15,000	6,000	178,042
0563	Refined Petroleum Fund	957,094	33,498,290	21,929,613	525,771
0559	RETAP - Retired Engineer Tech Asst Fund	7,402,929	240,000	1,147,300	6,495,629
0528	Saginaw Bay & River Restoration	0	0	0	0
0547	Sand Extraction Fee Revenue	92,497	50,000	80,899	61,598
0548	Scrap Tire Regulatory Fund	2,252,627	4,400,000	6,269,500	383,127
0569	Septage Waste Contingency Fund	88,702	0	30,000	58,702
0550	Septage Waste License Fee	331,029	499,999	559,145	271,883
0549	Settlement Funds Responsible Party Pay	0	3,330,300	3,330,300	0
0551	Sewage Sludge Land Application Fee	55,446	744,438	799,884	0
0525	Soil Erosion & Sedimentation Control	47,737	97,000	135,308	9,429
0648	Solid Waste Management Fees	3,053,367	140,000	0	3,193,367
0647	Solid Waste Program Fees	3,204,238	4,433,200	4,762,400	2,875,038
0665	State Site Cleanup Fund	5,786,408	500,000	0	6,286,408
0554	Stormwater Permit Fees	725,518	2,088,015	2,813,533	0
0555	Underground Storage Tank Fees	3,456,356	2,050,000	3,300,300	2,206,056
0556	Waste Reduction Fee Revenue	4,218,744	2,400,000	3,763,800	2,854,944
0558	Wastewater Operator Training Fees	17,156	100,500	117,656	0
0652	Water Analysis Fees	309,509	2,285,000	2,594,509	0
0532	Water Quality Protection Fund	122,117	85,000	25,000	182,117
0640	Water Use Reporting Fee	87,395	213,000	59,980	240,415
		62,413,701	117,115,468	135,468,365	61,179
					43,999,626

**DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE RESTRICTED FUNDS
FUND BALANCE REPORT, FISCAL YEAR ENDED 9/30/06**

Fund #	Fund Description	FY06 Beg.				FY06 Ending	Work Projects	FY06 Ending
		Cash Balance	Revenues	Expenditures	Cash Balance	Encumbrances		Unreserved Balance
0589	Above Ground Storage Tank Fees	567,996	577,560	668,756	476,800			476,800
0504	Air Emission Fees	4,565,044	11,636,406	12,982,753	3,218,698	42,015		3,176,683
0658	Aquifer Protection Revolving Fund	499,223	0	178,562	320,661			320,661
0615	Campground Fund	46,213	181,250	201,473	25,990	2,800		23,190
0661	Cleanup & Redevelopment Fund	29,627,009	(2,035,627)	13,969,296	13,622,086	171,191	35,237,227	(21,786,332)
0660	Cleanup & Redevelopment Trust Fund	12,349,773	1,328,856	12,000,000	1,678,629			1,678,629 *
0662	Community Pollution Prevention Fund	12,177,018	1,332,124	10,259,634	3,249,509	303,965		2,945,544 *
0619	Environmental Education Fund	60,926	152,384	174,054	39,256			39,256
0620	Environmental Pollution Prevention Fund	1,756,725	1,432,399	1,605,909	1,583,215			1,583,215
0562	Environmental Protection Fund	23,177,968	19,981,323	11,192,948	31,966,343	36,644	13,067,163	18,862,535 *
0664	Environmental Response Fund	9,985,145	7,863,358	8,419,171	9,429,331	293,192	127,407	9,008,732
0641	Fees and Collections	0	357,266	357,266	0			0
0522	Great Lakes Protection Fund	760,324	548,347	506,689	801,981	9,924		792,058
0655	Groundwater Discharge Permit Fees	151,617	1,426,149	1,278,777	298,988			298,988
0524	Haz Materials Transport Permit Fund	1,095,896	273,348	197,490	1,171,754			1,171,754
0526	Land and Water Permit Fees	474,418	2,703,089	2,693,067	484,440			484,440
0529	Landfill Maintenance Trust Fund	171,090	25,735	52,100	144,725			144,725
0611	Landfill Maintenance Trust Fund - Corpus	500,000	0	0	500,000			500,000
0650	Medical Waste Emergency Response	349,751	191,772	213,241	328,282			328,282
0552	Metallic Mineral Surveillance Fund	3,292	69,000	68,566	3,726			3,726
0503	Michigan Clean Air Fund	78,724	43,303	0	122,027			122,027
0553	Mineral Well Regulatory Fee	9,061	141,880	143,366	7,575			7,575
0667	Natural Resources Damages	1,534,719	395,646	0	1,930,365			1,930,365
0544	Nonferrous Metallic Mineral Surveillance	0	5,000	0	5,000			5,000
0656	NPDES Fees	1,219,988	3,074,251	3,383,690	910,549	4,549		905,999
0546	Oil & Gas Regulatory Fund	5,686,671	8,273,258	8,804,455	5,155,475	28,038		5,127,438
0566	Orphan Well Fund	1,240,231	2,123,909	2,081,696	1,282,444	8,219		1,274,225
0401	Private Funds	273,003	186,839	235,021	224,821			224,821
0614	Public Swimming Pool Fund	85,729	611,768	532,785	164,711	8,915		155,796
0643	Public Utility Assessments	0	244,710	244,710	0			0
0651	Public Water Supply Fund	711,806	3,203,483	3,676,025	239,264	9,607		229,657
0545	Publication Revenue	161,638	15,202	7,798	169,042			169,042
0563	Refined Petroleum Fund	82,808,290	32,585,560	17,214,589	98,179,261	161,628	97,060,539	957,094
0559	RETAP - Retired Engineer Tech Asst Fund	8,035,185	304,706	912,981	7,426,910	23,981		7,402,929
0528	Saginaw Bay & River Restoration	0	69,950	69,950	0			0
0547	Sand Extraction Fee Revenue	139,530	31,703	78,736	92,497			92,497
0548	Scrap Tire Regulatory Fund	3,629,865	4,521,163	5,045,543	3,105,485	852,858		2,252,627
0569	Septage Waste Contingency Fund	0	92,422	3,720	88,702			88,702
0550	Septage Waste License Fee	306,840	531,811	464,522	374,129	43,100		331,029
0549	Settlement Funds Responsible Party Pay	1,667	3,255,268	3,001,196	255,739	5,738	250,000	0
0551	Sewage Sludge Land Application Fee	66,841	628,824	631,878	63,786	8,340		55,446
0525	Soil Erosion & Sedimentation Control	67,332	91,464	111,059	47,737			47,737
0648	Solid Waste Management Fees	2,891,858	161,509	0	3,053,367			3,053,367
0647	Solid Waste Program Fees	2,927,089	4,513,240	4,236,090	3,204,238			3,204,238
0665	State Site Cleanup Fund	5,351,036	435,372	0	5,786,408			5,786,408
0554	Stormwater Permit Fees	1,205,582	2,182,648	2,662,712	725,518			725,518
0555	Underground Storage Tank Fees	4,167,810	2,129,895	2,841,349	3,456,356			3,456,356
0556	Waste Reduction Fee Revenue	1,685,292	5,757,344	3,214,730	4,227,907	9,163		4,218,744 *
0558	Wastewater Operator Training Fees	0	104,489	87,334	17,156			17,156
0652	Water Analysis Fees	986,402	2,311,565	2,937,948	360,019	50,510		309,509
0532	Water Quality Protection Fund	292,883	89,945	191,629	191,198	69,082		122,117
0640	Water Use Reporting Fee	58,899	107,383	73,100	93,183	5,787		87,395
		223,943,400	126,270,249	139,908,366	210,305,283	2,149,245	145,742,337	62,413,701

* Fund Shifts: \$3M into 0556 (from 0662) & \$19M into 0562 (\$12M from 0660 & \$7M from 0662)

Detail - FY06 Revenues include: 0562 = \$19M, 0556 = \$3M

FY06 Expenditures include: 0660 = \$12M, 0662 = \$10M